MULTIMEDIA UNIVERSITY

STUDENT IDENTIFICATION NO

MULTIMEDIA UNIVERSITY

FINAL EXAMINATION

TRIMESTER 3, 2016/2017

BEB3014 – ELECTRONIC BUSINESS

(All sections / Groups)

30 MAY 2017
2.30 p.m – 4.30 p.m
(2 Hours)

INSTRUCTIONS TO STUDENT

1. This Question paper consists of 3 pages with 4 Questions only.
2. Attempt **ALL** questions. The distribution of the marks for each question is given.
3. Please write all your answers in the Answer Booklet provided.

QUESTION 1

The Malaysian Businesswoman Using Personal Branding To Build an Empire

Founded in 2010, FashionValet (FV) is Malaysia's first and hottest online fashion store. Offering a wide range of ready-to-wear garments for women, accessories and handbags, from chic classics to edgy statement pieces, FV carries the best of Malaysia's home-grown brands and designers. FV's mission is to elevate the local fashion scene, and this is apparent by bridging FV's online customers with local products and brands listed on the website.

Vivy Yusof and her husband, Fadzarudin Anuar, started FV in 2010, a fashion, e-commerce site that brings homegrown, high-end designers closer to consumers. Yusof approached designers, asking them to create ready-to-wear (RTW) pieces for FV. "They were skeptical at first but I urged them to try. I basically introduced the idea because RTW for designers was not that big in 2010," she said. From a MYR100,000 ($24,195) capital, 10 designers and a staff of 20, FV grew to 500 brands and hundreds of staff in just six years with offices in Kuala Lumpur, Singapore, and Jakarta.

Not everything comes easy

Two years into the business and after doubling their revenue, Yusof felt comfortable. However, big competitors started coming to Malaysia and she recalls that it made her feel anxious. "When I read the news about them coming, I remember thinking that it would be death of us because they are bigger" she admitted.

It resulted to one of the most memorable mistakes they did as a young company. Trying to beat their competitors at their own game, they opened FV to almost anyone who wanted to sell through them. "Our standards went down, we lost our brand identity, so it was a bit confusing for me."

After this misstep, Yusof and Anuar decided to go back to their roots. They cemented their niche in Southeast Asia as a premium fashion destination and a direct, slightly more affordable connection to local designers. Yusof says she relies on her direct, almost personal link to the customers who are mostly her followers on social media.

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The Millennial Trend

Yusof, as the face of the brand, does most of the marketing and PR for their company. She doesn't believe in other people doing it for them or using too much of their budget, paying for advertisements. "The only person who knows the brand better is me. I think it [marketing] comes from blogging. I use my Instagram a lot to market and that's where the creative side of me comes out," she says.

She finds social media to be extremely potent, something the older generation might find hard to grasp. Their clientele is mostly women between the ages of 20-40 – right in the cross-section of internet-savvy generations. It again comes back to knowing and having a connection with her customers which gives her an insight on what they want next. "People get bored easily nowadays. It prompted us to have daily new arrivals. I would say the hype goes very fast. A big launch this week will be forgotten the next," she says. "It's a very fast moving industry so we constantly have to come up with something new. Customers are smart. They compare and read."

Adapted from: Malasig, C. R. (2016). *The Malaysian Businesswoman Using Personal Branding To Build an Empire* [Online]. Available: https://www.forbes.com/sites/cmalasig/2016/09/28/the-malaysian-entrepreneur-who-built-an-online-empire-with-personal-branding/#502c26091e2c [2017, April 2].

a. FashionValet (FV) cemented niche market in Southeast Asia as a premium fashion destination and a direct, slightly more affordable connection to local designers. Yusof relies on her direct, almost personal link to the customers who are mostly her followers on social media. Analyze the marketing strategy that FV is currently adopting and distinguish it from traditional marketing strategies. (14 marks)

b. Yusof, as face of the brand, does most of the marketing and PR for their company. Propose **FOUR (4)** types of e-business marketing segmentation to FV. (12 marks)

c. According to Yusof, "People get bored easily nowadays. It prompted us to have daily new arrivals. A big launch this week will be forgotten the next, it's a very fast moving industry so we constantly have to come up with something new. Customers are smart. They compare and read." Analyze these statements from the perspective of customer relationship intensity and life-cycle segmentation. (14 marks)

(Total: 40 marks)

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QUESTION 2

a. A Dutch auction is often better for the seller as it moves large quantities of high-demand products quickly and efficiently. Describe how a Dutch auction works. (5 marks)

b. Business Process Reengineering (BPE) is one of the issues in e-strategy implementation. Explain what BPE is and list **FOUR (4)** decisions need to be made by the managers in reengineering business processes. (5 marks)

c. Support activities such as finance and administration, human resources, and technology development can be good business opportunities in e-commerce. Select **TWO (2)** support activities in an organization and describe an online business model that you could propose for each support activity. (10 marks)

(Total: 20 marks)

QUESTION 3

a. In the supply chain, companies use electronic commerce to improve purchasing, logistics and support activities.
(i) Define *E-Sourcing* in purchasing activities. (2.5 marks)
(ii) Define E-Procurement activity in an organization. (2.5 marks)

b. With the different types of mobile computing services, one can easily involve in mobile commerce. Briefly explain **FIVE (5)** attributes of M-Commerce. (5 marks)

c. Define *Global Positioning System* (GPS) and explain **TWO (2)** possible commercial uses of GPS technology. (10 marks)

(Total: 20 marks)

QUESTION 4

a. Advances in computing technology has made online banking, also known as e-banking, an indispensable tool. Elaborate **TWO (2)** benefits provided by online banking that have changed the lives of consumers and businesses today. (10 marks)

b. As an online retail company, Lazada has to ensure that it's online retail system is highly secured. Discuss **FIVE (5)** different requirements for secured Electronic Commerce that must be fulfilled by Lazada. (10 marks)

(Total: 20 marks)

End of Paper